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Central Intelligence Agency

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Argentina: Current Concerns

President Bignone's ability to govern effectively will diminish as various military and civilian sectors seek to achieve their often conflicting objectives. Since assuming office in July, Bignone has been increasingly buffeted by pressures from leaders of both sectors over the terms of a planned 1984 return to civilian rule. Early efforts to reconcile antagonistic elements are being undermined by human rights activists who are building broad support for an accounting of those who disappeared in the government's mid-1970s war against subversives. Press reports of widespread corruption among many military leaders also are exacerbating tensions. Regime leaders have responded by closing three periodicals critical of the government. They are also pressing civilians for an agreement on a wide range of contentious issues before the dates for elections, tentatively set for late 1983, are firmly set. [redacted] 3.5(c)

Economic pressures will continue to complicate Bignone's efforts to manage the growing political crisis. Austerity measures--imposed in the recent agreement in principle with the IMF and made necessary by Argentina's critical need for foreign funds--will force some retrenchment from the initial populist, growth-oriented economic policies, which have prompted a temporary upturn in the domestic economy. Such a change in policy is likely to generate resistance from political and labor leaders. [redacted] 3.5(c)

For domestic political reasons Bignone will maintain a tough--but not hostile--posture on key foreign policy issues. [redacted] NR

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